



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES

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June 26, 2006

Dear Mortgage Broker Company:

The Mortgage Broker Practices Act (MBPA), chapter 19.146 RCW, was modified in early 2006 by the Washington State Legislature. The Department of Financial Institutions (the department) has begun rule making to implement the new law.

Key changes to the MBPA go into effect January 1, 2007, and include the following:

- Loan originators must have a license to originate loans; the license expires annually
- Loan originators must complete continuing education courses annually
- Mortgage broker licenses will expire annually and must be renewed
- The department may examine mortgage brokers' books and records within the first five years of licensing, including branch office licensing
- Mortgage brokers must annually report the number of loans and the dollar volume of loans made in Washington each year

Under the Regulatory Fairness Act, chapter 19.85 RCW, the department must assess the proposed rules' impact on small businesses. In order to make this assessment, the department must understand how the new rules may affect your business. To this end, the department has prepared a survey to gather the necessary information. We would like the president, CEO or Designated Broker of your company to respond to the survey. One response per licensed mortgage company is all we will accept. You can review and fill out the survey on the department web page.

To complete the survey, use this link: <http://dfi.wa.gov/cs/mortgage.htm>.

Copies of the new MBPA and the draft proposed rules can be found on the department's web site, <http://dfi.wa.gov>, under "Mortgage Brokers."

Please complete the electronic survey by July 15, 2006. If you would like a paper copy of the survey, please contact Dawn Morris at the department, at 360-902-0519. Thank you for your assistance.

Sincerely,

Whittier Johnson
Program Manager